

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.:** 2007-0956-AIR-E   **TCEQ ID:** RN102584026   **CASE NO.:** 33805  
**RESPONDENT NAME:** The Premcor Refining Group Inc.

Page 1 of 3

<b>ORDER TYPE:</b>		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Valero Port Arthur Refinery, 1801 Gulfway Drive, Port Arthur, Jefferson County</p> <p><b>TYPE OF OPERATION:</b> Petroleum refinery</p> <p><b>SMALL BUSINESS:</b>    <input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There are four additional pending enforcement actions regarding this facility location, Docket Nos. 2007-0149-AIR-E, 2007-0385-AIR-E, 2007-1358-AIR-E, and 2007-1455-AIR-E.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on December 3, 2007. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b></p> <p style="padding-left: 20px;"><b>TCEQ Attorney/SEP Coordinator:</b> Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768</p> <p style="padding-left: 20px;"><b>TCEQ Enforcement Coordinator:</b> Mr. Aaron Houston, Enforcement Division, Enforcement Team 5, MC R-10, (409) 899-8784; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171</p> <p style="padding-left: 20px;"><b>Respondent:</b> Mr. Jim Gillingham, Regional Operations Vice President, The Premcor Refining Group Inc., P.O. Box 909, Port Arthur, Texas 77641-0909</p> <p style="padding-left: 20px;"><b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> February 16 through March 28, 2007, March 20, 2007, and April 23, 2007</p> <p><b>Date of NOV/NOE Relating to this Case:</b> May 17, 2007 (NOE)</p> <p><b>Background Facts:</b> This was a routine records review investigation. Four violations were documented.</p> <p><b>AIR</b></p> <p>1) Failure to prevent unauthorized emissions. Specifically, during an emission event on January 16, 2007, Emission Point Number ("EPN") E-01-SCOT emitted 1,921.66 pounds ("lbs") of sulfur dioxide ("SO2"), 63.8 lbs of carbon monoxide ("CO"), 0.39 lbs of particulate matter ("PM"), and 16.47 lbs of hydrogen sulfide ("H2S") for 2 hours and 53 minutes. EPN E-02-SCOT emitted 168.72 lbs of SO2 and 10.15 lbs of CO for 2 hours and 5 minutes. EPN E-03-SCOT emitted 4,979.19 lbs of SO2 and 711.23 lbs of CO for 4 hours and 12 minutes. F-22-Flare emitted 1,233.14 lbs of SO2, 344.44 lbs of CO, 13.4 lbs of H2S, 22.6 lbs of PM, and 818.68 lbs of volatile organic compounds ("VOC") for 6 hours and 20 minutes. The permit does not authorize any upset emissions. Since this emissions event was avoidable, the Respondent failed to meet the demonstrations for an affirmative defense as described in 30 TEX. ADMIN. CODE § 101.222(b)(2) and (b)(3) [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a) and (c)(7), New Source Review ("NSR") Flexible Permit 6825A/PSD-TX-49, Special Condition ("SC") 5A, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2) Failure to prevent unauthorized emissions. Specifically, during an</p>	<p><b>Total Assessed:</b> \$25,150</p> <p><b>Total Deferred:</b> \$5,030  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$10,060</p> <p><b>Total Paid to General Revenue:</b> \$10,060</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Ordering Provisions:</b></p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, design and implement improvements to procedures to address the emissions events that occurred on January 16, 2007, January 31, 2007, February 1, 2007, and March 27, 2007 through March 30, 2007, and to prevent the reoccurrence of similar incidents; and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a.</p>

<p>emission event on January 31, 2007, over a period of 1 hour and 30 minutes, EPN FLARE 103 emitted 1,102.77 lbs of SO<sub>2</sub>, 58.53 lbs of CO, 11.97 lbs of H<sub>2</sub>S, 8.1 lbs of NO<sub>x</sub>, 3.27 lbs of PM, and 153.09 lbs VOC. The permit does not authorize any upset emissions. Since this emissions event was avoidable, the Respondent failed to meet the demonstrations for an affirmative defense as described in 30 TEX. ADMIN. CODE § 101.222(b)(2) and (b)(3) [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and (c)(7), NSR Flexible Permit 6825A/PSD-TX-49, SC 5A, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>3) Failure to prevent unauthorized emissions. Specifically, during an emission event on February 1, 2007, over a period of 8 minutes, EPN E-23-FLARE emitted 1,779.85 lbs of SO<sub>2</sub>, 93.87 lbs of CO, 19.34 lbs of H<sub>2</sub>S, 13 lbs of NO<sub>x</sub>, 5.97 lbs of PM, and 178.38 lbs VOC. The permit does not authorize any upset emissions. Since this emissions event was avoidable, the Respondent failed to meet the demonstrations for an affirmative defense as described in 30 TEX. ADMIN. CODE § 101.222(b)(2) and (b)(3) [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a) and (c)(7), NSR Flexible Permit 6825A/PSD-TX-49, SC 5A, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>4) Failure to prevent unauthorized emissions. Specifically, during an emission event from March 27, 2007 through March 30, 2007, over a period of 63 hours and 12 minutes, 3 pressure release valves in the Wastewater Treating Unit (EPN F-WWTU-8742) emitted 150.19 lbs of H<sub>2</sub>S and 971.41 lbs VOC. Emissions from F-WWTU-8742 are not authorized. Since the emissions event was avoidable, the Respondent failed to meet the demonstrations for an affirmative defense as described in 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH &amp; SAFETY CODE §§ 382.085(b) and 382.0518(a)].</p>		
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Additional ID No(s): JE0042B



**Attachment A**  
**Docket Number: 2007-0956-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>The Premcor Refining Group Inc.</b>
<b>Payable Penalty Amount:</b>	<b>Twenty Thousand One Hundred Twenty Dollars (\$20,120)</b>
<b>SEP Amount:</b>	<b>Ten Thousand Sixty Dollars (\$10,060)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>South East Texas Regional Planning Commission-West Port Arthur Home Energy Efficiency Program</b>
<b>Location of SEP:</b>	<b>Jefferson County</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating homes, replacing heating and cooling systems and major appliances with new, energy efficient equipment.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

**B. Environmental Benefit**

This SEP will provide a discernible environmental benefit by reducing residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter, volatile organic compounds, and nitrogen oxides associated with the combustion of fuel and generation of electricity. Additionally, the improvements will improve homes as shelters for responding to emergency releases.

**C. Minimum Expenditure**

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.



The Premcor Refining Group Inc.  
Agreed Order – Attachment A

## **2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

South East Texas Regional Planning Commission  
Transportation and Environmental Resources  
Bob Dickenson, Director  
2210 Eastex Freeway  
Beaumont, Texas 77703

## **3. Records and Reporting**

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

## **4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality  
Financial Administration Division, Revenues  
Attention: Cashier, MC 214  
P.O. Box 13088  
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.





**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision May 25, 2007

TCEQ

<b>DATES</b>	<b>Assigned</b>	21-May-2007			
	<b>PCW</b>	20-Sep-2007	<b>Screening</b>	13-Jun-2007	<b>EPA Due</b> 11-Feb-2008

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	The Premcor Refining Group Inc.				
<b>Reg. Ent. Ref. No.</b>	RN102584026				
<b>Facility/Site Region</b>	10-Beaumont		<b>Major/Minor Source</b>	Major	

## CASE INFORMATION

<b>Enf./Case ID No.</b>	33805	<b>No. of Violations</b>	4
<b>Docket No.</b>	2007-0956-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Enf. Coordinator</b>	Jessica Rhodes
<b>Multi-Media</b>		<b>EC's Team</b>	EnforcementTeam 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$12,500**

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** 102% Enhancement **Subtotals 2, 3, & 7** **\$12,750**

Notes

Penalty enhancement due to seven NOVs issued for same or similar violations, six NOVs for dissimilar violations, and three agreed orders with denial of liability. Penalty reduction due to participation in the Clean Texas Pollution Reduction Program.

Culpability

No

0% Enhancement

**Subtotal 4** **\$0**

Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply

0% Reduction

**Subtotal 5** **\$0**

Extraordinary

Before NOV

NOV to EDP RP/Settlement Offer

Ordinary

N/A

X

(mark with x)

Notes

The Respondent does not meet the good faith criteria.

0% Enhancement\*

**Subtotal 6** **\$0**

Total EB Amounts  
Approx. Cost of Compliance

\$146

\$3,000

\*Capped at the Total EB \$ Amount

## SUM OF SUBTOTALS 1-7

**Final Subtotal** **\$25,250**

## OTHER FACTORS AS JUSTICE MAY REQUIRE

**Adjustment** **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

**Final Penalty Amount** **\$25,250**

## STATUTORY LIMIT ADJUSTMENT

**Final Assessed Penalty** **\$25,150**

## DEFERRAL

20%

**Adjustment** **-\$5,030**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

## PAYABLE PENALTY

**\$20,120**

<b>Screening Date</b>	13-Jun-2007	<b>Docket No.</b>	2007-0956-AIR-E	<b>PCW</b>
<b>Respondent</b>	The Premcor Refining Group Inc.			Policy Revision 2 (September 2002)
<b>Case ID No.</b>	33805			PCW Revision May 25, 2007
<b>Reg. Ent. Reference No.</b>	RN102584026			
<b>Media [Statute]</b>	Air			
<b>Enf. Coordinator</b>	Jessica Rhodes			

### Compliance History Worksheet

#### >> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	7	35%
	Other written NOVs	6	12%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	Yes	-5%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

**Adjustment Percentage (Subtotal 2)** 102%

#### >> Repeat Violator (Subtotal 3)

No **Adjustment Percentage (Subtotal 3)** 0%

#### >> Compliance History Person Classification (Subtotal 7)

Average Performer **Adjustment Percentage (Subtotal 7)** 0%

#### >> Compliance History Summary

**Compliance History Notes** Penalty enhancement due to seven NOVs issued for same or similar violations, six NOVs for dissimilar violations, and three agreed orders with denial of liability. Penalty reduction due to participation in the Clean Texas Pollution Reduction Program.

**Total Adjustment Percentage (Subtotals 2, 3, & 7)** 102%

<b>Screening Date</b> 13-Jun-2007	<b>Docket No.</b> 2007-0956-AIR-E	<b>PCW</b>		
<b>Respondent</b> The Premcor Refining Group Inc.	<small>Policy Revision 2 (September 2002)</small>			
<b>Case ID No.</b> 33805	<small>PCW Revision May 25, 2007</small>			
<b>Reg. Ent. Reference No.</b> RN102584026				
<b>Media [Statute]</b> Air				
<b>Enf. Coordinator</b> Jessica Rhodes				
<b>Violation Number</b> 1				
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §§ 101.20(3), 116.715(a) and (c)(7), New Source Review ("NSR") Flexible Permit 6825A/PSD-TX-49, Special Condition ("SC") 5A, and Tex. Health & Safety Code § 382.085(b)			
<b>Violation Description</b>	<p>Failed to prevent unauthorized emissions. Specifically, during an emission event on January 16, 2007, Emission Point Number ("EPN") E-01-SCOT emitted 1,921.66 pounds ("lbs") of sulfur dioxide ("SO2"), 63.8 lbs of carbon monoxide ("CO"), 0.39 lbs of particulate matter ("PM"), and 16.47 lbs of hydrogen sulfide ("H2S") for 2 hours and 53 minutes. EPN E-02-SCOT emitted 168.72 lbs of SO2 and 10.15 lbs of CO for 2 hours and 5 minutes. EPN E-03-SCOT emitted 4,979.19 lbs of SO2 and 711.23 lbs of CO for 4 hours and 12 minutes. F-22-Flare emitted 1,233.14 lbs of SO2, 344.44 lbs of CO, 13.4 lbs of H2S, 22.6 lbs of PM, and 818.68 lbs of volatile organic compounds ("VOC") for 6 hours and 20 minutes. The permit does not authorize any upset emissions. Since this emissions event was avoidable, Premcor failed to meet the demonstrations for an affirmative defense as described in 30 Tex. Admin. Code § 101.222(b)(2) and (b)(3).</p>			
<b>Base Penalty</b>		\$10,000		
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>				
<b>OR</b>	<b>Harm</b>			
	<b>Release</b>	<b>Major</b>	<b>Moderate</b>	<b>Minor</b>
	Actual		x	
	Potential			
		<b>Percent</b>	50%	
<b>&gt;&gt; Programmatic Matrix</b>				
	<b>Falsification</b>	<b>Major</b>	<b>Moderate</b>	<b>Minor</b>
		<b>Percent</b>	0%	
<b>Matrix Notes</b>	Human health or the environment have been exposed to significant amounts of pollutants which did not exceed levels that are protective of human health or environmental receptors as a result of the violation.			
<b>Adjustment</b>		\$5,000		
		\$5,000		
<b>Violation Events</b>				
<b>Number of Violation Events</b>		1	<b>Number of violation days</b>	
<small>mark only one with an x</small>	daily		<b>Violation Base Penalty</b>	
	monthly			
	quarterly			
	semiannual			
	annual			
	single event	x		
One single event is recommended.				
<b>Economic Benefit (EB) for this violation</b>		<b>Statutory Limit Test</b>		
<b>Estimated EB Amount</b>	\$76	<b>Violation Final Penalty Total</b>	\$10,100	
		<b>This violation Final Assessed Penalty (adjusted for limits)</b>	\$10,000	

**Economic Benefit Worksheet**

Respondent The Premcor Refining Group Inc.

Case ID No. 33805

Reg. Ent. Reference No. RN102584026

Media Air

Violation No. 1

Percent Interest	Years of Depreciation
6.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

**Delayed Costs**

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling	\$1,000	16-Jan-2007	22-Jan-2008	1.0	\$51	n/a	\$51
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$500	16-Jan-2007	22-Jan-2008	1.0	\$25	n/a	\$25

Notes for DELAYED costs

Estimated cost to implement measures designed to prevent a light feed to the absorber stripper tower and allowing the presence of hydrocarbons in the sulfur recovery unit, which caused the emissions event on January 16, 2007. Date required is based on the day of the emissions event. Final date is based on the projected compliance date.

**Avoided Costs**

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$76

**Screening Date** 13-Jun-2007**Docket No.** 2007-0956-AIR-E**PCW****Respondent** The Premcor Refining Group Inc.

Policy Revision 2 (September 2002)

**Case ID No.** 33805

PCW Revision May 25, 2007

**Reg. Ent. Reference No.** RN102584026**Media [Statute]** Air**Enf. Coordinator** Jessica Rhodes**Violation Number** 2**Rule Cite(s)**

30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and (c)(7), NSR Flexible Permit 6825A/PSD-TX-49, SC 5A, and Tex. Health &amp; Safety Code § 382.085(b)

**Violation Description**

Failed to prevent unauthorized emissions. Specifically, during an emission event on January 31, 2007, over a period of 1 hour and 30 minutes, EPN FLARE 103 emitted 1,102.77 lbs of SO<sub>2</sub>, 58.53 lbs of CO, 11.97 lbs of H<sub>2</sub>S, 8.1 lbs of NO<sub>x</sub>, 3.27 lbs of PM, and 153.09 lbs VOC. The permit does not authorize any upset emissions. Since this emissions event was avoidable, Premcor failed to meet the demonstrations for an affirmative defense as described in 30 Tex. Admin. Code § 101.222(b)(2) and (b)(3).

**Base Penalty** \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

**Percent** 25%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

**Percent** 0%**Matrix Notes**

Human health or the environment have been exposed to insignificant amounts of pollutants which did not exceed levels that are protective of human health or environmental receptors as a result of the violation.

**Adjustment** \$7,500

\$2,500

## Violation Events

**Number of Violation Events** 11 **Number of violation days**mark only one  
with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

**Violation Base Penalty** \$2,500

One single event is recommended.

**Economic Benefit (EB) for this violation****Statutory Limit Test****Estimated EB Amount** \$24**Violation Final Penalty Total** \$5,050**This violation Final Assessed Penalty (adjusted for limits)** \$5,050

**Economic Benefit Worksheet****Respondent** The Premcor Refining Group Inc.**Case ID No.** 33805**Reg. Ent. Reference No.** RN102584026**Media** Air**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<b>Delayed Costs</b>							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling	\$500	31-Jan-2007	22-Jan-2008	1.0	\$24	n/a	\$24
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0
<b>Notes for DELAYED costs</b>	Estimated cost to establish procedures to ensure that the feed rate of the SGRU-1242 is adjusted accordingly. Date required is based on the day of the emissions event. Final date is based on the projected compliance date.						
<b>Avoided Costs</b> <b>ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)</b>							
Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
<b>Notes for AVOIDED costs</b>							
<b>Approx. Cost of Compliance</b>	\$500	<b>TOTAL</b>				\$24	



Screening Date 13-Jun-2007

Docket No. 2007-0956-AIR-E

PCW

Respondent The Premcor Refining Group Inc.

Policy Revision 2 (September 2002)

Case ID No. 33805

PCW Revision May 25, 2007

Reg. Ent. Reference No. RN102584026

Media [Statute] Air

Enf. Coordinator Jessica Rhodes

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.715(a) and (c)(7), NSR Flexible Permit 6825A/PSD-TX-49, SC 5A, and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, during an emission event on February 1, 2007, over a period of 8 minutes, EPN E-23-FLARE emitted 1,779.85 lbs of SO<sub>2</sub>, 93.87 lbs of CO, 19.34 lbs of H<sub>2</sub>S, 13 lbs of NO<sub>x</sub>, 5.97 lbs of PM, and 178.38 lbs VOC. The permit does not authorize any upset emissions. Since this emissions event was avoidable, Premcor failed to meet the demonstrations for an affirmative defense as described in 30 Tex. Admin. Code § 101.222(b)(2) and (b)(3).

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment have been exposed to insignificant amounts of pollutants which did not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

## Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one  
with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$2,500

One single event is recommended.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$24

Violation Final Penalty Total \$5,050

This violation Final Assessed Penalty (adjusted for limits) \$5,050

**Economic Benefit Worksheet**

Respondent: The Premcor Refining Group Inc.

Case ID No: 33805

Reg. Ent. Reference No: RN102584026

Media: Air

Violation No: 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

**Delayed Costs**

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling	\$500	1-Feb-2007	22-Jan-2008	1.0	\$24	n/a	\$24
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to establish procedures to ensure the HMOD overhead vapor line is isolated correctly during the event of contamination of vapor line, which resulted in the February 1, 2007 emissions event. Date required is based on the day of the emissions event. Final date is based on the projected compliance date.

**Avoided Costs**

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$24

<b>Screening Date</b>	13-Jun-2007	<b>Docket No.</b>	2007-0956-AIR-E	<b>PCW</b>																				
<b>Respondent</b>	The Premcor Refining Group Inc.		<small>Policy Revision 2 (September 2002)</small>																					
<b>Case ID No.</b>	33805	<small>PCW Revision May 25, 2007</small>																						
<b>Reg. Ent. Reference No.</b>	RN102584026																							
<b>Media [Statute]</b>	Air																							
<b>Enf. Coordinator</b>	Jessica Rhodes																							
<b>Violation Number</b>	4																							
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 116.110(a) and Tex. Health & Safety Code §§ 382.085(b) and 382.0518(a)																							
<b>Violation Description</b>	<p>Failed to prevent unauthorized emissions. Specifically, during an emission event from March 27, 2007 through March 30, 2007, over a period of 63 hours and 12 minutes, 3 pressure release valves in the Wastewater Treating Unit (EPN F-WWTU-8742) emitted 150.19 lbs of H<sub>2</sub>S and 971.41 lbs VOC. Emissions from F-WWTU-8742 are not authorized. Since the emissions event was avoidable, Premcor failed to meet the demonstrations for an affirmative defense as described in 30 Tex. Admin. Code § 101.222.</p>																							
<b>Base Penalty</b>				\$10,000																				
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>																								
OR	<table border="1" style="margin: auto;"> <tr> <td></td> <th colspan="3">Harm</th> </tr> <tr> <td></td> <th>Major</th> <th>Moderate</th> <th>Minor</th> </tr> <tr> <td><b>Release</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Actual</b></td> <td></td> <td></td> <td style="text-align: center;">x</td> </tr> <tr> <td><b>Potential</b></td> <td></td> <td></td> <td></td> </tr> </table>					Harm				Major	Moderate	Minor	<b>Release</b>				<b>Actual</b>			x	<b>Potential</b>			
		Harm																						
		Major	Moderate	Minor																				
<b>Release</b>																								
<b>Actual</b>			x																					
<b>Potential</b>																								
<b>Percent</b>				25%																				
<b>&gt;&gt; Programmatic Matrix</b>																								
Matrix Notes	<table border="1" style="margin: auto;"> <tr> <td></td> <th>Major</th> <th>Moderate</th> <th>Minor</th> </tr> <tr> <td><b>Falsification</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Actual</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Potential</b></td> <td></td> <td></td> <td></td> </tr> </table>					Major	Moderate	Minor	<b>Falsification</b>				<b>Actual</b>				<b>Potential</b>							
		Major	Moderate	Minor																				
	<b>Falsification</b>																							
<b>Actual</b>																								
<b>Potential</b>																								
<b>Percent</b>				0%																				
<b>Adjustment</b>				\$7,500																				
				\$2,500																				
<b>Violation Events</b>																								
Number of Violation Events		1	Number of violation days																					
		3																						
mark only one with an x	daily		<b>Violation Base Penalty</b>																					
	monthly																							
	quarterly																							
	semiannual																							
	annual																							
	single event	x																						
One single event is recommended.																								
<b>Economic Benefit (EB) for this violation</b>			<b>Statutory Limit Test</b>																					
<b>Estimated EB Amount</b>		\$21	<b>Violation Final Penalty Total</b>																					
			\$5,050																					
<b>This violation Final Assessed Penalty (adjusted for limits)</b>			\$5,050																					

**Economic Benefit Worksheet****Respondent:** The Premcor Refining Group Inc.**Case ID No.:** 33805**Reg. Ent. Reference No.:** RN102584026**Media:** Air**Violation No.:** 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

**Delayed Costs**

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling	\$500	27-Mar-2007	22-Jan-2008	0.8	\$21	n/a	\$21
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

**Notes for DELAYED costs**

Estimated cost to establish procedures to ensure the proper operation of the wastewater treatment unit thermal oxidizer. Date required is based on the first day of the emissions event. Final date is based on the projected compliance date.

**Avoided Costs****ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

**Notes for AVOIDED costs****Approx. Cost of Compliance**

\$500

**TOTAL**

\$21

# Compliance History

Customer/Respondent/Owner-Operator: CN601420748 The Premcor Refining Group Inc. Classification: AVERAGE Rating: 1.61  
 Regulated Entity: RN102584026 VALERO PORT ARTHUR REFINERY Classification: AVERAGE Site Rating: 2.50  
 ID Number(s):

AIR OPERATING PERMITS	PERMIT	2228
AIR OPERATING PERMITS	PERMIT	2229
AIR OPERATING PERMITS	PERMIT	2227
AIR OPERATING PERMITS	ACCOUNT NUMBER	JE0042B
AIR OPERATING PERMITS	PERMIT	1498
AIR OPERATING PERMITS	PERMIT	2227
AIR OPERATING PERMITS	PERMIT	2228
AIR OPERATING PERMITS	PERMIT	2229
AIR NEW SOURCE PERMITS	PERMIT	17038
AIR NEW SOURCE PERMITS	PERMIT	802A
AIR NEW SOURCE PERMITS	PERMIT	2303A
AIR NEW SOURCE PERMITS	PERMIT	5491A
AIR NEW SOURCE PERMITS	PERMIT	6825A
AIR NEW SOURCE PERMITS	PERMIT	7600A
AIR NEW SOURCE PERMITS	PERMIT	8369A
AIR NEW SOURCE PERMITS	PERMIT	8456A
AIR NEW SOURCE PERMITS	PERMIT	12454A
AIR NEW SOURCE PERMITS	PERMIT	12553A
AIR NEW SOURCE PERMITS	PERMIT	13635A
AIR NEW SOURCE PERMITS	PERMIT	13698A
AIR NEW SOURCE PERMITS	PERMIT	19404
AIR NEW SOURCE PERMITS	PERMIT	28778
AIR NEW SOURCE PERMITS	PERMIT	29335
AIR NEW SOURCE PERMITS	PERMIT	45737
AIR NEW SOURCE PERMITS	PERMIT	47885
AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	JE0042B
AIR NEW SOURCE PERMITS	REGISTRATION	75595
AIR NEW SOURCE PERMITS	REGISTRATION	76069
AIR NEW SOURCE PERMITS	AFS NUM	4824500004
AIR NEW SOURCE PERMITS	PERMIT	56546
AIR NEW SOURCE PERMITS	PERMIT	71744
AIR NEW SOURCE PERMITS	PERMIT	50836
AIR NEW SOURCE PERMITS	REGISTRATION	74702
AIR NEW SOURCE PERMITS	PERMIT	N65
AIR NEW SOURCE PERMITS	PERMIT	80812
AIR NEW SOURCE PERMITS	REGISTRATION	81049
AIR NEW SOURCE PERMITS	REGISTRATION	81668
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD008090409
INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	30004
INDUSTRIAL AND HAZARDOUS WASTE POST CLOSURE	PERMIT	50350
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION # (SWR)	30004

Location: 1801 GULFWAY DR, PORT ARTHUR, TX, 77640 Rating Date: 9/1/2006 Repeat Violator: NO  
 TCEQ Region: REGION 10 - BEAUMONT  
 Date Compliance History Prepared: June 12, 2007  
 Agency Decision Requiring Compliance History: Enforcement  
 Compliance Period: June 12, 2002 to June 12, 2007  
 TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
 Name: Jessica Rhodes Phone: 512-239-2879

## Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No

3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

**Components (Multimedia) for the Site :**

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 03/20/2003

ADMINORDER 2002-0429-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)(1)(B)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to notify the regional office no later than 24 hours after the discovery of a reportable upset at the Delayed Coking Unit 843.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)  
30 TAC Chapter 116, SubChapter B 116.115(b)[G]

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: GC8 PERMIT

Description: Failure to maintain an emission rate below the allowable emission limits.

Effective Date: 10/10/2003

ADMINORDER 2003-0053-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(G)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: General Condition 8 PERMIT  
Special Condition 5B PERMIT

Description: Failure to maintain an emission rate below the allowable emission limits.

Effective Date: 06/15/2006

ADMINORDER 2005-0585-AIR-E

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(7)  
30 TAC Chapter 101, SubChapter F 101.201(b)(8)

5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to comply with the final recordkeeping requirements concerning two emissions events.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 6825A/PSD-TX-49, SC 5A PERMIT

Description: Failure to maintain an emission rate below the allowable emission limit.

- B. Any criminal convictions of the state of Texas and the federal government.

N/A

- C. Chronic excessive emissions events.

N/A

- D. The approval dates of investigations. (CCEDS Inv. Track No.)

1	08/23/2002	(8374)
2	08/31/2002	(8635)
3	08/31/2002	(10446)
4	11/22/2002	(4778)
5	01/06/2003	(19247)
6	01/07/2003	(18101)
7	01/22/2003	(16924)

8	01/22/2003	(21208)
9	03/05/2003	(18990)
10	03/31/2003	(281091)
11	07/08/2003	(25047)
12	08/06/2003	(28570)
13	08/29/2003	(130722)
14	08/29/2003	(112800)
15	10/29/2003	(250694)
16	10/29/2003	(250696)
17	10/31/2003	(250086)
18	10/31/2003	(440137)
19	10/31/2003	(249934)
20	10/31/2003	(249936)
21	10/31/2003	(250088)
22	10/31/2003	(250089)
23	10/31/2003	(250090)
24	10/31/2003	(250091)
25	10/31/2003	(250092)
26	12/02/2003	(252358)
27	12/12/2003	(281092)
28	01/08/2004	(258663)
29	01/13/2004	(256396)
30	01/13/2004	(258948)
31	01/31/2004	(257601)
32	01/31/2004	(258920)
33	02/13/2004	(258485)
34	02/26/2004	(254381)
35	03/24/2004	(263206)
36	05/26/2004	(270679)
37	06/16/2004	(270296)
38	08/11/2004	(278807)
39	08/11/2004	(285340)
40	08/11/2004	(286227)
41	08/17/2004	(270166)
42	08/23/2004	(281670)
43	08/27/2004	(283049)
44	08/31/2004	(282995)
45	08/31/2004	(273536)
46	09/01/2004	(286723)
47	09/23/2004	(271970)
48	10/13/2004	(293066)
49	11/23/2004	(339389)
50	11/23/2004	(339035)
51	11/23/2004	(339038)
52	11/29/2004	(340093)
53	12/08/2004	(337446)
54	12/15/2004	(287796)
55	12/27/2004	(340483)
56	01/31/2005	(344879)
57	02/02/2005	(342308)
58	03/03/2005	(345932)
59	03/24/2005	(346253)
60	04/14/2005	(371246)
61	04/19/2005	(349573)
62	05/06/2005	(276009)
63	05/16/2005	(374794)
64	05/17/2005	(377823)
65	05/17/2005	(377749)
66	05/20/2005	(347935)
67	05/24/2005	(374676)
68	05/31/2005	(393164)
69	05/31/2005	(377794)
70	06/07/2005	(394209)

71	06/07/2005	(392990)
72	06/13/2005	(377488)
73	06/13/2005	(377763)
74	06/13/2005	(377635)
75	06/17/2005	(395060)
76	07/05/2005	(393742)
77	07/05/2005	(380293)
78	07/13/2005	(397179)
79	07/13/2005	(397190)
80	07/26/2005	(400317)
81	08/01/2005	(393808)
82	08/04/2005	(402168)
83	08/04/2005	(401782)
84	08/13/2005	(402114)
85	08/14/2005	(380729)
86	08/16/2005	(396901)
87	08/16/2005	(403310)
88	08/16/2005	(348169)
89	08/16/2005	(402102)
90	08/16/2005	(337449)
91	08/25/2005	(401169)
92	08/31/2005	(401994)
93	08/31/2005	(338345)
94	10/13/2005	(431867)
95	11/03/2005	(434493)
96	11/04/2005	(432099)
97	11/04/2005	(432307)
98	11/04/2005	(418674)
99	11/04/2005	(404608)
100	11/15/2005	(435657)
101	12/02/2005	(418593)
102	01/17/2006	(450983)
103	01/18/2006	(438806)
104	01/19/2006	(439376)
105	02/03/2006	(440029)
106	02/06/2006	(437321)
107	02/21/2006	(455655)
108	02/23/2006	(455193)
109	03/28/2006	(450081)
110	03/31/2006	(455509)
111	04/12/2006	(461051)
112	04/28/2006	(454769)
113	05/03/2006	(464161)
114	05/11/2006	(464702)
115	05/30/2006	(466254)
116	06/16/2006	(482132)
117	07/14/2006	(464803)
118	07/28/2006	(483694)
119	08/30/2006	(482855)
120	08/31/2006	(454753)
121	08/31/2006	(466054)
122	10/10/2006	(512174)
123	11/06/2006	(515244)
124	11/15/2006	(515161)
125	11/18/2006	(517423)
126	12/19/2006	(512175)
127	12/28/2006	(395082)
128	12/28/2006	(273484)
129	01/04/2007	(533453)
130	01/25/2007	(531842)
131	01/25/2007	(535004)
132	01/25/2007	(512183)
133	01/25/2007	(531282)



134	02/01/2007	(538514)
135	02/02/2007	(538412)
136	02/02/2007	(538987)
137	02/02/2007	(539009)
138	02/14/2007	(537911)
139	03/20/2007	(540167)
140	04/21/2007	(539391)
141	04/21/2007	(541913)
142	04/21/2007	(537071)
143	04/26/2007	(542530)
144	05/14/2007	(558406)
145	05/17/2007	(555595)
146	05/17/2007	(555573)
147	05/17/2007	(558483)
148	05/17/2007	(554503)
149	05/17/2007	(554971)
150	05/31/2007	(561603)
151	06/01/2007	(558971)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 01/31/2003 (18943)

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter A 335.4[G]

Description: FAILURE TO PREVENT AN UNAUTHORIZED DISCHARGE OF SULFUR.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(1)[G]

Description: Failure to maintain a record of each Satellite Accumulation Area.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 335, SubChapter Q 335.474[G]

Description: Failure to update as necessary to assure that there never exists a time period for which a Source Reduction and Waste Minimization (SRWM) Plan is not in effect.

Date: 10/31/2003 (249936)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F

Description: Failure to forward two copies of the final sampling report within 60 days after the sampling.

Date: 10/31/2003 (250091)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F

Description: Failure to forward two copies of the final sampling report within 60 days after the sampling event.

Date: 10/31/2003 (440137)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F

Description: Failure to forward two copies of the final sampling report within 60 days after the sampling.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(a)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F

Description: Failure to forward two copies of the final sampling report within 60 days after the sampling.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F  
Description: Failure to forward two copies of the final sampling report within 60 days after the sampling.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F  
Description: Failure to forward two copies of the final sampling report within 60 days after the sampling event.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F  
Description: Failure to forward two copies of the final sampling report within 60 days after the sampling event.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F  
Description: Failure to forward two copies of the final sampling report within 60 days after the sampling event.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F  
Description: Failure to forward two copies of the final sampling report within 60 days after the sampling event.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: PERMIT 6825A/PSD-TX-49, SC 35F  
Description: Failure to forward two copies of the final sampling report within 60 days after the sampling event.

Date: 12/02/2003 (252358)

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(1)(B)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)  
Rqmt Prov: OP O-02227  
Description: Visible Emissions from Marine Vapor Combustors MC-24 and MC-25 exceeded the 20% opacity limit on October 3, 2003.

Date: 02/13/2004 (258485)

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.4  
5C THC Chapter 382, SubChapter A 382.085(a)  
Description: Failure to prevent a nuisance condition within the Port Arthur area.

Date: 08/16/2004 (278807)

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.100[G]  
30 TAC Chapter 113, SubChapter C 113.340  
30 TAC Chapter 116, SubChapter G 116.715(a)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Rqmt Prov: PERMIT 6825A and PSD-TX-49, SC 1A  
 PERMIT 6825A and PSD-TX-49, SC 3A  
 PERMIT 6825A and PSD-TX-49, SC 4C  
 Description: Failure to properly operate Emergency Flare 15 (EPN: F15FLARE) on June 30, 2004, resulting in unauthorized emissions.

Date: 08/27/2004 (283049)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
 30 TAC Chapter 101, SubChapter A 101.20(3)  
 30 TAC Chapter 113, SubChapter C 113.340  
 30 TAC Chapter 116, SubChapter G 116.715(a)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 6825A, SC 1A(4)  
 PERMIT 6825A, SC 3A  
 PERMIT PSD-TX-49, SC 1A(4)  
 PERMIT PSD-TX-49, SC 3A

Description: Failure to properly seal the end of a line containing HAPs/VOCs.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
 30 TAC Chapter 101, SubChapter A 101.20(3)  
 30 TAC Chapter 113, SubChapter C 113.340  
 30 TAC Chapter 115, SubChapter D 115.352(2)  
 30 TAC Chapter 116, SubChapter G 116.715(a)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 6825A, SC 1A(4)  
 PERMIT 6825A, SC 28I  
 PERMIT 6825A, SC 3A  
 PERMIT PSD-TX-49, SC 28I  
 PERMIT PSD-TX-49, SC 3A

Description: Failure to perform the final repair within 15 days for 2 pumps.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
 30 TAC Chapter 101, SubChapter A 101.20(3)  
 30 TAC Chapter 113, SubChapter C 113.340  
 30 TAC Chapter 115, SubChapter D 115.352(2)  
 30 TAC Chapter 116, SubChapter G 116.715(a)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 6825A, SC 1A(4)  
 PERMIT 6825A, SC 28I  
 PERMIT 6825A, SC 3A  
 PERMIT PSD-TX-49, SC 1A(4)  
 PERMIT PSD-TX-49, SC 28I  
 PERMIT PSD-TX-49, SC 3A

Description: Failure to perform the final repair within 15 days for 4 leaking connectors.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
 30 TAC Chapter 101, SubChapter A 101.20(3)  
 30 TAC Chapter 113, SubChapter C 113.340  
 30 TAC Chapter 116, SubChapter G 116.715(a)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(e)  
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: PERMIT 6825A, SC 1A(4)  
 PERMIT 6825A, SC 28J  
 PERMIT 6825A, SC 3A  
 PERMIT PSD-TX-49, SC 1A(4)  
 PERMIT PSD-TX-49, SC 28J  
 PERMIT PSD-TX-49, SC 3A

Description: Failure to record the repair methods for several leaking components.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352[G]  
 5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to perform an extraordinary repair within thirty (30) days for a leaking valve.

Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1) 30 TAC Chapter 101, SubChapter A 101.20(3) 30 TAC Chapter 113, SubChapter C 113.340 30 TAC Chapter 115, SubChapter D 115.352[G] 30 TAC Chapter 116, SubChapter G 116.715(a) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(a) 5C THC Chapter 382, SubChapter A 382.085(b)		
Rqmt Prov:	PERMIT 6825A, SC 1A(4) PERMIT 6825A, SC 28I PERMIT 6825A, SC 3A PERMIT PSD-TX-49, SC 1A(4) PERMIT PSD-TX-49, SC 28I PERMIT PSD-TX-49, SC 3A		
Description:	Failure to repair components on delay of repair before the end of the next process unit shutdown.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1) 30 TAC Chapter 101, SubChapter A 101.20(3) 30 TAC Chapter 113, SubChapter C 113.340 30 TAC Chapter 116, SubChapter G 116.715(a) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(e) 5C THC Chapter 382, SubChapter A 382.085(b)		
Rqmt Prov:	PERMIT 6825A, SC 1A(4) PERMIT 6825A, SC 3A PERMIT PSD-TX-49, SC 1A(4) PERMIT PSD-TX-49, SC 3A		
Description:	Failure to maintain a list of identification numbers for all connectors located within the FCC 1241 Unit.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1) 30 TAC Chapter 101, SubChapter A 101.20(3) 30 TAC Chapter 113, SubChapter C 113.340 30 TAC Chapter 115, SubChapter D 115.352(2) 30 TAC Chapter 116, SubChapter G 116.715(a) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(a) 5C THC Chapter 382, SubChapter A 382.085(b)		
Rqmt Prov:	PERMIT 6825A, SC 1A(4) PERMIT 6825A, SC 3A PERMIT PSD-TX-49, SC 1A(4) PERMIT PSD-TX-49, SC 3A		
Description:	Failure to perform the final repair within 15 days for the valve with Component ID #116023.		
Date: 12/09/2004 (337446)			
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.721(a) 5C THC Chapter 382, SubChapter A 382.085(b)		
Description:	Failure to prevent visible emissions from the Marine Vapor Combustors for 13 minutes. B18		
Date: 02/02/2005 (342308)			
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.4 5C THC Chapter 382, SubChapter A 382.085(b)		
Description:	Failure to comply with the State's rule concerning nuisance.		
Date: 08/26/2005 (401169)			
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THC Chapter 382, SubChapter A 382.085(b)		
Rqmt Prov:	OP FOP O-2227 General Terms and Conditions		
Description:	Failure to report all instances of all deviations.		
Date: 08/31/2006 (482855)			
Self Report?	NO	Classification:	Minor

Citation:	30 TAC Chapter 101, SubChapter A 101.20(2) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.356(e)(1) 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.356(f)(1) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	OP O-02228 Special Condition 13H		
Description:	Failure to maintain proper documentation as listed in the Semiannual Deviation Report for FOP O-02228 dated May 25, 2005 to November 25, 2005 and November 26, 2005 to May 25, 2006.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 101, SubChapter A 101.20(3) 30 TAC Chapter 116, SubChapter G 116.715(a) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT Flex Permit 6825A/PSD-TX-49 SC 37C OP O-02229, Special Condition 15		
Description:	Failure to maintain proper documentation of CEMS data as listed in the Semiannual Deviation Report for FOP O-02229 dated January 16, 2004 to July 16, 2004.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(3) 30 TAC Chapter 116, SubChapter G 116.715(a) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT Flex Permit 6825A/PSD-TX-49, SC 24A OP O-02229, Special Condition 15		
Description:	Failure to maintain Incinerator Firebox Temperature as listed in the Semiannual Deviation Report for FOP O-02229 dated January 16, 2004 to July 16, 2004.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 113, SubChapter C 113.340 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.654(g) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	OP O-02229, Special Condition 1D		
Description:	Failure to submit a semiannual report in a timely manner.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(2)(i) 5C THC Chapter 382, SubChapter D 382.085(b)		
Description:	Failure to maintain a 250 ppm SO2 emission limit at the sulfur recovery plant as listed in the Semiannual Deviation Report for FOP O-02229 dated January 16, 2005 to July 16, 2005.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	OP O-02229, Special Condition 3		
Description:	Failure to conduct a daily notation in the flare operation log as listed in the Semiannual Deviation Report for FOP O-02229 dated July 16, 2004 to January 15, 2005.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(3) 30 TAC Chapter 116, SubChapter G 116.715(a) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 6825A/PSD-TX-49, Special Condition 20C OP O-02229, Special Condition 15		
Description:	Failure to properly operate the H2S degasser for FOP O-02229 dated January 16, 2005 to July 16, 2005.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 101, SubChapter A 101.20(3) 30 TAC Chapter 116, SubChapter G 116.715(a) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 64, SubChapter C, PT 64 64.7(c) 5C THC Chapter 382, SubChapter D 382.085(b)		
Rqmt Prov:	PERMIT 6825A/PSD-TX-49, Special Condition 37C OP O-02229, Special Condition 14A OP O-02229, Special Condition 15		

Description: Failure to complete a 15 minute cycle of CEMS data as listed in the Semiannual Deviation Report for FOP O-02229 dated January 16, 2005 to July 16, 2005.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: OP O-02229, Special Condition 1E

Description: Failure to record bypass valve position at least once per hour as listed in the Semiannual Deviation Report for FOP O-02229 dated January 16, 2005 to July 16, 2005.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter D 115.352(2)[G]  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-9[G]  
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: PERMIT 6825A/PSD-TX-49, Special Condition 281  
OP O-02229, Special Condition 15

Description: Failure to place on a shutdown list within 15 days of documenting a leak as listed in the Semiannual Deviation Report for FOP O-02229 dated July 16, 2005 to January 16, 2006.

Date: 04/20/2007 (540167)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.211(c)  
5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to submit a final record as required by subsection 30 TAC 101.211(c) to the commission office for the region in which the regulated entity is located and to appropriate local air pollution agencies with jurisdiction no later than two weeks after the end of the scheduled activity.

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

Type	Tier	Certification Date
CLEAN TEXAS PROGRAM	PARTNERSHIP	04/06/2005
CLEAN TEXAS PROGRAM	PARTNER	04/06/2005

J. Early compliance.

N/A

Sites Outside of Texas

N/A

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
THE PREMCOR REFINING GROUP  
INC.  
RN102584026**

§       **BEFORE THE**  
§  
§  
§       **TEXAS COMMISSION ON**  
§  
§       **ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2007-0956-AIR-E**

### **I. JURISDICTION AND STIPULATIONS**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding The Premcor Refining Group Inc. ("Premcor") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Premcor, appear before the Commission and together stipulate that:

1. Premcor owns and operates a petroleum refinery at 1801 Gulfway Drive in Port Arthur, Jefferson County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and Premcor agree that the Commission has jurisdiction to enter this Agreed Order, and that Premcor is subject to the Commission's jurisdiction.
4. Premcor received notice of the violations alleged in Section II ("Allegations") on or about May 22, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Premcor of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Twenty-Five Thousand One Hundred Fifty Dollars (\$25,150) is assessed by the Commission in settlement of the violations alleged in Section II





("Allegations"). Premcor has paid Ten Thousand Sixty Dollars (\$10,060) of the administrative penalty and Five Thousand Thirty Dollars (\$5,030) is deferred contingent upon Premcor's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Premcor fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Premcor to pay all or part of the deferred penalty. Ten Thousand Sixty Dollars (\$10,060) shall be conditionally offset by Premcor's completion of a Supplemental Environmental Project.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and Premcor have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Premcor has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

As owner and operator of the Plant, Premcor is alleged to have:

1. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a) and (c)(7), New Source Review ("NSR") Flexible Permit 6825A/PSD-TX-49, Special Condition ("SC") 5A, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted February 16, 2007 through March 28, 2007. Specifically, during an emission event on January 16, 2007, Emission Point Number ("EPN") E-01-SCOT emitted 1,921.66 pounds ("lbs") of sulfur dioxide ("SO<sub>2</sub>"), 63.8 lbs of carbon monoxide ("CO"), 0.39 lbs of particulate matter ("PM"), and 16.47 lbs of hydrogen sulfide ("H<sub>2</sub>S") for 2 hours and 53 minutes. EPN E-02-SCOT emitted 168.72 lbs of SO<sub>2</sub> and 10.15 lbs of CO for 2 hours and 5 minutes. EPN E-03-SCOT emitted 4,979.19 lbs of SO<sub>2</sub> and 711.23 lbs of CO for 4 hours and 12 minutes. F-22-Flare emitted 1,233.14 lbs of SO<sub>2</sub>, 344.44 lbs of CO, 13.4 lbs of H<sub>2</sub>S, 22.6 lbs of PM, and 818.68 lbs of volatile organic compounds ("VOC") for 6 hours and 20 minutes. The permit does not authorize any upset emissions. Since this emissions event was avoidable, Premcor failed to meet the demonstrations for an affirmative defense as described in 30 TEX. ADMIN. CODE § 101.222(b)(2) and (b)(3).
2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a) and (c)(7), NSR Flexible Permit 6825A/PSD-TX-49, SC 5A, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted February 16, 2007



- through March 28, 2007. Specifically, during an emission event on January 31, 2007, over a period of 1 hour and 30 minutes, EPN FLARE 103 emitted 1,102.77 lbs of SO<sub>2</sub>, 58.53 lbs of CO, 11.97 lbs of H<sub>2</sub>S, 8.1 lbs of nitrogen oxides ("NO<sub>x</sub>"), 3.27 lbs of PM, and 153.09 lbs VOC. The permit does not authorize any upset emissions. Since this emissions event was avoidable, Premcor failed to meet the demonstrations for an affirmative defense as described in 30 TEX. ADMIN. CODE § 101.222(b)(2) and (b)(3).
3. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a) and (c)(7), NSR Flexible Permit 6825A/PSD-TX-49, SC 5A, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on March 20, 2007. Specifically, during an emission event on February 1, 2007, over a period of 8 minutes, EPN E-23-FLARE emitted 1,779.85 lbs of SO<sub>2</sub>, 93.87 lbs of CO, 19.34 lbs of H<sub>2</sub>S, 13 lbs of NO<sub>x</sub>, 5.97 lbs of PM, and 178.38 lbs VOC. The permit does not authorize any upset emissions. Since this emissions event was avoidable, Premcor failed to meet the demonstrations for an affirmative defense as described in 30 TEX. ADMIN. CODE § 101.222(b)(2) and (b)(3).
  4. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.085(b) and 382.0518(a), as documented during an investigation conducted on April 23, 2007. Specifically, during an emission event from March 27, 2007 through March 30, 2007, over a period of 63 hours and 12 minutes, 3 pressure release valves in the Wastewater Treating Unit (EPN F-WWTU-8742) emitted 150.19 lbs of H<sub>2</sub>S and 971.41 lbs VOC. Upset emissions from F-WWTU-8742 are not authorized. Since the emissions event was avoidable, Premcor failed to meet the demonstrations for an affirmative defense as described in 30 TEX. ADMIN. CODE § 101.222.

### **III. DENIALS**

Premcor generally denies each allegation in Section II ("Allegations").

### **IV. ORDERING PROVISIONS**

1. It is, therefore, ordered by the TCEQ that Premcor pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Premcor's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: The Premcor Refining Group Inc., Docket No. 2007-0956-AIR-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088



2. Premcor shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Ten Thousand Sixty Dollars (\$10,060) of the assessed administrative penalty shall be offset with the condition that implement the SEP defined in Attachment A, incorporated herein by reference. Premcor's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. It is further ordered that Premcor shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order, design and implement improvements to procedures to address the emissions events that occurred on January 16, 2007, January 31, 2007, February 1, 2007, and March 27, 2007 through March 30, 2007, and to prevent the reoccurrence of similar incidents; and
  - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Air Section, Manager  
Beaumont Regional Office  
Texas Commission on Environmental Quality  
3870 Eastex Freeway  
Beaumont, Texas 77703-1892

4. The provisions of this Agreed Order shall apply to and be binding upon Premcor. Premcor is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.



5. If Premcor fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Premcor's failure to comply is not a violation of this Agreed Order. Premcor shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Premcor shall notify the Executive Director within seven days after Premcor becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Premcor shall be made in writing to the Executive Director. Extensions are not effective until Premcor receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This Agreed Order, issued by the Commission, shall not be admissible against Premcor in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Premcor, or three days after the date on which the Commission mails notice of the Order to Premcor, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.





## SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
\_\_\_\_\_  
For the Executive Director

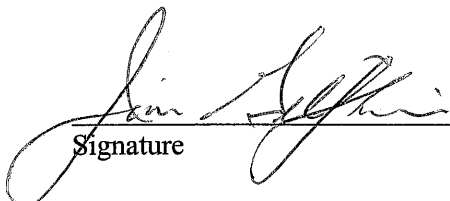
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\_\_\_\_\_  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
\_\_\_\_\_  
Signature

10/1/07  
\_\_\_\_\_  
Date

John Sullivan  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
The Premcor Refining Group Inc.

VP Regional Refining Ops  
\_\_\_\_\_  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.



**Attachment A**  
**Docket Number: 2007-0956-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>The Premcor Refining Group Inc.</b>
<b>Payable Penalty Amount:</b>	<b>Twenty Thousand One Hundred Twenty Dollars (\$20,120)</b>
<b>SEP Amount:</b>	<b>Ten Thousand Sixty Dollars (\$10,060)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>South East Texas Regional Planning Commission-West Port Arthur Home Energy Efficiency Program</b>
<b>Location of SEP:</b>	<b>Jefferson County</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

The Respondent shall contribute to the Third-Party Recipient pursuant to the agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to conduct home energy audits and to assist low income residents in the West Port Arthur area by weatherizing their homes which will improve their homes' energy efficiency. SEP monies will be used to pay for the cost of caulking and insulating homes, replacing heating and cooling systems and major appliances with new, energy efficient equipment.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

**B. Environmental Benefit**

This SEP will provide a discernible environmental benefit by reducing residential fuel and electricity usage for heating and cooling. These reductions, in turn, will reduce emissions of particulate matter, volatile organic compounds, and nitrogen oxides associated with the combustion of fuel and generation of electricity. Additionally, the improvements will improve homes as shelters for responding to emergency releases.

**C. Minimum Expenditure**

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.



## **2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order, to:

South East Texas Regional Planning Commission  
Transportation and Environmental Resources  
Bob Dickenson, Director  
2210 Eastex Freeway  
Beaumont, Texas 77703

## **3. Records and Reporting**

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

## **4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality  
Financial Administration Division, Revenues  
Attention: Cashier, MC 214  
P.O. Box 13088  
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.



**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

